The excuse presented by Mr. Baker for delays in the matter of ordnance, particularly heavy artillery, were practically the same as those advanced by his subordinates who testified previously, namely, the manufacture of fighting equipment of only the hishest standard.

The recurse rational property of the present powder supply is adequipment of only the hishest standard.

Senator New asked if there was any mistake of tuderness when the Lucitaria. equipment of only the highest standard.

The lack of organization plan on the part of the War Department, the apparent unwillingness of the War Department to recognize that war was actually upon America before the declaration resolved the situation for it and furnished the committee with an opportunity to examine Mr. Baker in regard to the pre-war delinquencies of his device of the part of the part of the war was any mistake of judgment when the Lusitania for war was sunk in not beginning preparations for war.

"It would have been very wise." Mr. Baker replied, "If a dozen years ago the Ordnance Department had begun preparations. To be perfectly frank with you, I think Gen, Crosier is not beginning preparations for war. furnished the committee with an oppor-tunity to examine Mr. Baker in regard to the pre-war delinquencies of his de-

"War Was 3,000 Miles Away." "The war wasn't upon us," said the Secretary repeatedly in answer to ques-tions by the committee. He insisted that the war was 3,000 miles away in Europe. "We had more guns on hand than would be necessary to supply all the troops we could get to Europe with-Consequently there were

Questions and answers in rapid sucon failed to draw from Mr. Baker proof that anything more than the most perfunctory efforts had been made in the War Department in anticipation of the coming struggle. Even after war was declared, the admissions of the Becretary showed, the thought of America being 3,000 miles outside the the \$150,000,000 neglect to consider Boston wool men's offer was but one

of dozens of similar stumbles.

The Secretary was asked if America had not been apprised by its diplomatic May, 1916, that the German Imperial Government meant to break with the United States. The Secretary took the ground that the highly confidential character of Mr. Gerard's despatches to the did not permit him to discuss that phase

Refuses to Discuss Warning.

"Didn't the Gerard warnings have any "That subject is confidential," Mr. Baker insisted. Then he went on to say

Baker insisted. Then he went on to say exactness of the Gerard warning. "We had the word of the German Gov-erament repudiating any intention to re-new ruthlessness in their U-boat cam-

ign," said Mr. Baker. "Was the word of the German Govment more to be credited than that | recon our own Ambassador?' asked Senator The subject of rifles was brought forward in the general discussion of ord-nance. Secretary Baker said the supply of rifles was now adequate, and reserves are being accumulated with greatest rapidity. Senator Weeks took exception to his statement that the Secretary McKellar asked what author-secretarial 1902 model was the best rifle. greatest rapidity. Senator Weeks took exception to his statement that the Springfield 1992 model was the best rifle Springfield 1993 most this point Chairin the world, and at this point Chairman Chamberlain of Oregon, chairman
of the committee, interposed: "One of
the serious criticisms of the War Dethe serious criticisms of the War Dethe serious criticisms of the Fact
partment, Mr. Secretary, lay in the fact
the Secretary could fix prices as he
partment, in several months to decide
deemed best, and I surrounded Gen. that it took several months to decide deemed best, and I surrou to change to the Americanized Enfield Sharpe with expert advisers."

have plenty of rifles now." re-

the changes in the Enfield, making it creable of using American ammuni-tion, saying that we had started to make aeven changes and wound up by making said Mr. Baker. "I have looked into it many times. No such thing has been done."

"Inefficiency" Is Defined.

that is what we call inefficsaid the chairman.

"It is not inefficiency to change your mind," answered the Secretary.
Several Senators joined in questioning to show that rifle production was permitted to lag when it was certain that

but Secretary Baker persisted that the produced a much desired result. He pointed out that eight months after England went to war British soldiers pointed out that eight months after England went to war British soldiers were training in top hats and with walking sticks and insisted that American rifle production is now "so far shead" that all men who will be called authority to Mr. Eisenman. I know \$203.000.000, for authority to Mr. Eisenman.

out will have enough.

Turning to criticism of the machine gun situation, Senator Chamberlain said there was delay in ordering Lewis guns that had been used successfully by England.

replied Secretary Baker.
"Yes there was, Mr. Secretary," re-

the delay was unreasonable.

Well. it's a matter of judgment,' said Secretary Baker told of the board to

investigate machine guns layed for one second the buying of any gun after last April." said Mr. Baker

Secretary Baker told of the board to investigate machine guns.

"The board's deliberations never delayed for one second the buying of any gun after last April." said Mr. Baker positively. "It did delay other guns, including the new Browning gun, before April."

"The fact remains that nine months."

"The fact remains that nine months."

"Questioned about secrecy attending about secrecy attending the awarding of army contracts. Secretary Baker declared he issued an order that they he not made public and that he considered a wise policy. "Don't you know the American people abhor secrecy?" asked Senator McKellar.

"I think." said Mr. Baker, "that the awarding of army contracts. Secretary Baker declared he issued an order that they he not made public and that he considered a wise policy. "Don't you know the American people abhor secrecy?" asked Senator McKellar.

"I think." said Mr. Baker declared he issued an order that they he not made public and that he considered a wise policy. "Don't you know the American people abhor secrecy?" asked Senator McKellar.

"I think." said Mr. Baker declared he issued an order that they he not made public and that he considered a wise policy.

"Don't you know the American people abhor secrecy?" asked Senator McKellar.

"I think." said Mr. Baker declared he issued an order that they he not made public and that he considered a wise policy.

Before the war the largest machine in programme was 12,000, he added. Senator Frelinghuysen of New Jer-while new 200,000 are required, with sey declared that the crifficism levelled by the Ordance Department.

manufacture difficult and slow.

"Those two facts make it all the more important that machine guns should have been got from any source," said Senbeen got from any source," said Sen-ator McKellar. "The greatest energy should have been exerted to get any

Are you entirely satisfied, so tar as all ordnance is concerned, with the progress the department has made?" asked
Senator Weeks
"I don't say that the department might
Boston wool men referred to earlier in

distribution of industries occasioned by the withdrawal of an army of 1,500,000 from their normal activities.

[TBy the cooperation of all interests and sell people in the causing." said before any Baker, "the matten is now organized and set to its task with unanimity of spirit and confidence in its powers."

The excuse presented by Mr. Baker for delays in the matter of ordinance, and the companies of the compa

has recommended ordnance expan-

Secretary Baker denied that the first American contingents sent abroad were not completely equipped. All sent then and since, he declared, have had adequate, standard equipment, except that recent contingents depend for automatic rifles and artillery on French sources. Senator Wadsworth of New York Committee te-day, is as follows: asked if the American artillery pro-

gramme is large enough.
"You never can have too much." Mr. "You never can have too much." Mr. Baker replied, "but the programme fully engaged the resources of the country as they ought to be. Every country's artillery programme has grown every month during the war."

Secretary Baker assented to Senator Wadsworth's statement that the war was a competition of industries and that whichever produced the most materials and men would wear out the opposition.

"That is the present aspect of it," he said.

Operations of the supply system of the word of the cooperations of the supply system.

Operations of the supply system of the Quartermaster-General were then making our preparation increasingly taken up. Secretary Baker pointed out adequate and speedy. taken up. Secretary Baker pointed out that "over night we changed from a free and competitive market to one in which the Government was the monopolizing buyer

Capacity Overestimated.

"Some substitutions of materials were authorized." Secretary Baker conthued. "Manufacturers overestimated their own capacity. The early despatch abroad of special forces, such as stevedores and railroad employees, cut into the early supplies gathered. There was a shortage of many articles, including overcoats, blouses, trousers and perhaps some others. They were far greater some others. They were far greater than we anticipated. Initial equipment now is substantially complete and re-serve supplies are being secured."

The Secretary said it had to be decided whether to call out more men than could be readily equipped or call out only those for whom equipment was

"The course actually taken was to forces as rapidly as we could anticipate their equipment, and I have no reason

Denies \$128,000,000 Story. The Tennessee Senator said witnessee

had testified that contracts aggregating Chamberlain then reviewed \$128,000,000 had been let to firms with ges in the Enfield, making which supplies committee members are connected.

trade Mr. Baker said: "That statement is substantially "I don't think that is the very bor; true." said Mr. Baker, "but any delay way to deal with these questions, but it was the only way at the outset. Sub-"I don't think that is the very bor; was the only way at the outset. Nubstantially it's stopped now. There never was any intention of continuing it in-

The Secretary said he cancelled the much discussed rag sorting contract on the recommendation of the Quartermaster-General and because the Government! proposed to do the rag sorting work it-self. The Base Sorting Company, he said, was to get a profit of only one-half

cent a pound
"Are you willing to assume responsinothing improper about it"

Blunder Costs U. S. "Nothing." Senator McKellar referred to the relationship between Samuel Kaplan of the supplies committee and a brother

"The fact remains that nine months after the war the cantonments have none for training," said Senator McKellar, "I wouldn't say none," Secretary Baker for the Navy Department which did replied "They have relatively few."

"I think," said Mr. Baker, "that the location of plants should not be made public as a military policy." "Did it endanger factories working for the Navy Department which did make contracts public." he was asked.

Uniformed as to Shoddy.

whould have been exerted to get any kind."

The questions involved, Mr. Baker retterated, were of judgment between speed and excellence.

"Are you entirely satisfied, so far as a been advised to the uniforms. He had been advised the uniforms were adeall ordnance is concerned, with the proxall ordnance is concerned, with the prox-

not have expedited some phases of its the hearing. He did receive an offer from the Western Wool Growers Association to sell its entire cut at a price to work," Secretary Baker replied.
"In what have we failed?"
The secretary hesitated and answered:
"I can't piswer it that way; I can't pick offer was referred to the raw materials cout any particular place."

I can't piswer it that way; I can't pick offer was referred to the raw materials committee of the Council of National Defence. He did not know what was

ARMY STATEMENT

Secretary Tells Senate Committee 1,428,650 Men Are Under Arms.

OFFICERS TOTAL 110,856

War Department Head Says Ordnance Contracts Aggregate \$1,677,000,000.

Special Despatch to Tun Sex WASHINGTON, Jan. 10 .- The statement Washington, Jan. 10.—The statement "This business involved accounting of Secretary Baker dealing with the determinations of standards, prices, war preparations of the United States, quantities, the creation of new manuas read to the Senate War Investigating

"I am glad to lay before the committee and the country certain facts with

profit by all heipful criticism, and I thank the committee for the inquiries which it has made and for the cooperation which it is giving and will give in

"On the first day of April, 1917, the

Con the first day of April, 1917, the Regular Army comprised of 5,791 of-ficers and 121,797 enlisted men; the National Guard in Federal service approximately approximatel ficers and 121.737 entisted men, the strong and 121.737 entisted to all conditional Guard in Federal service approximately 3,733 officers and 76,713 chisted to a strong and the reserve, 4,000 enlisted men, and the reserve, 4,000 enlisted men, "On the 3 st day of December, 1917, for delivery to January 1, 10,000,000 the Regular Army consisted of 10,250 pair; shoes purchased for delivery January 1, 10,000,000 pair; shoes purchased for delivery d men, and the reserve, 4,000 enlisted men,
"On the 3 ist day of December, 1917,
the Regular Army consisted of 10,250
officers and 475,000 enlisted men; the National Guard o. 16,031 officers and
400,900 enlisted men; the National
Army of 480,000 men, and the reserve

The Quartermaster-General's Department in the supply section alone made of \$4,575 officers and 72,750 enlisted men. In other words, in nine months the increase has been from 9,524 officers to 110.856 officers and from 202,510 to money value of \$800,000.000.

During the war with Spain the army

under arms in the Spanish-American was charged by Congress with "The total number already in the mill-

"A substantial part of our military "A substantial part of our military forces was selected by the operation of a draft law, the execution of which has by the 1918 appropriation with senator McKellar asked what authority of law there was for taking away Gen. Sharpe's purchasing powers.

"In the first place I was the head of the army," Mr. Raker answered. "In the second place the law provided that the Secretary could fix prices as he deemed best, and I surrounded Gen.

Cantonments Cost \$184,000,000.

sixteen cantonments have been built, from foreign countries, to compare data costing \$134,000,000, with an average and information, to review designs and nittee purchasing getting men from the profit to the contractors of 2.98 per cent. sewerage facilities, refuse disposal plants, and expanding its own organization laundrice, storehouses, barracks, ex- figures given above are selected almost changes, post offices and practically all at rando necessary conveniences, comforts and tude of necessary conveniences, comforts and tude of the safeguards for soldiers. The health of partment, ic men in training in them is beyond emparison, better than that of any simi-

lar number of soldiers in our history.
"The death rate in our forces in the

Secretary Baker continued by reciting anybody to buy things wisely unless you the machine gun controversy that existed set men who are experienced in their ucts of all the industries of the United States was \$24,000,000,000. The appropriation of Tennessee thought "How much did the blunder or what-

States in 1914 was \$200,000,000, or less met and improvement is already ap-than one-third of the amount to be ex-

amounting to \$1.677,000,000.
"On the 1st day of April, 1917, the Ordnance Department consisted of 97 commissioned officers, occupying 15,000 square feet of office room in Washington. It now consists of 3,004 officers, occupying more than fourteen acres of office floor space, and in addition has

"The expansion of this force has been carried on concurrently with the enormous business and industrial operations of the department. The force has been selected, trained, in part despatched over seas. Because of inadequacy of office accommodations it has been moved from time to time, one bureau having been obliged to move six times.

New Weapons Studied.

Plants Awaiting Orders.

Senator Weeks asked if all available annountion production facilities are being used.

No, not all, said Secretary Baker. "No, not all, said Secretary Baker, "but all will be when we need them."

The arrangement to get British and brench ammunition for artillery, he said, sas "safe as far as it goes, but said, sas to the said many other questions were up for consideration.

Senator Wadsworth wanted to know why some of the War Department was spent for backer said some of twas spent for "Many of the classes of ordnance material in battle and accordingly ended to know why some of the war Department was spent for said some of twas spent for "Many of the classes of ordnance said some of it was spent for said that no company to the said some of twas spent for said that no company to the said some of twas spent for said that no company to the said some of twas spent for said that no company to the said some of twas spent for said that no company to the classes

manufacture.

"In the first place, the American peomand and magnitude of the new operations.

"In the first place, the American peomand and to be are entitled to know of the splendid effectiveness with which they have been able to organize the man power and the material power of the nation in a great accounting and constant inspection by inspectors who have had to be trained in specially established schools in order in specially established schools in order.

"In the first place, the American peomand magnitude of the new operations.

"To these objects it was admirably adapted, and it has accomplished a great material power of the nation in a great cause and, second, our army in France are as impressive as the things which have happened when one recalls the possibilities involved.

"In the first place, the American peomand magnitude of the new operations.

"To these objects it was admirably adapted, and it has accomplished a great material power of the nation in a great product of the new operations.

"To these objects it was admirably adapted, and it has accomplished a great work. The things which have not happened are as impressive as the things which have happened when one recalls in specially established schools in order. inspectors who have had to be trained under General Persining, and our in specially established schools in order lies, are entitled to have the benefit reto add knowledge of ordnance requirestic to their previous mechanical and raile of their enemies which must come when the Germans realize that the when the Germans realize that the

Great Increases Noted.

"QUARTERMASTER-GENERAL'S DEPART-MENT-For the Quartermaster-General a Department in 1918 \$3,018,004,000 was tions for all governmental purposes "On the first day of April there were 347 officers in the Quarternaster Corps; on the first day of January, 1918, there was a total of 6,431 officers.

"On the first day of January, 1918, nearly \$2,000,000,000 of the appropria-tion had been obligated by contracts or

facturing facilities, the substitution of materials for insufficient supplies, di-versions of labor, the erection of storage warehouses and difficult and often em "In the woollen goods section alone

the cooperation of over 300 mills was involved, and the following items give some idea of the extensive character of the operations: There have been pur-chased over 13,000,000 blankets, 20,000, 000 yards of overcoating and over 30,-000,000 yards each of shirting flannel and suiting, involving an expenditure of over \$345,000.000; in cotton goods the Department had contracted for 250,-000,000 yards of various cotton cloths. "Further idea of the size of pur-chases in this department will be con-veyed by the following figures: Pur-

"AVIATION SECTION SIGNAL CORPS-The Aviation Section of the Signal Corps on of the United States at its maximum the first day of April, 1917 consisted of strength aggregated 272,000 men and sixty-five officers and 1,120 men. On officers. The army now in the field and the first day of January, 1918, it conin training is, therefore, roughly six sisted of 2,000 officers and \$2,120 men imes as great as the maximum number This division of the War Department penditure of an appropriation aggregat "The total number already in the milling for 1918 \$744,000,000 or five tary service is one and a half times as the 1915 appropriation for the large as any force ever mobilized by this War Department.

"ENGINEER DEPARTMENT-The neer department, for which in 1917 \$53 .-

"For the training of officers two series "All of these departments have been of training camps were held, from which about 45,000 officers were commissioned from civil life. This number is nearly about ordinance plants, terminal facilifrom civil life. This number is nearly shops, ordnance plants, terminal facili-eight times as great as the number of ties, both abroad and at home, many of these being made necessary by the fact that the field of their operation is in two

countries 3,000 miles apart.
"Each division has been oblised to "For the training of these soldiers send officers to France, to receive officers "These cantonments contain water and concurrently with its task of training of the operations of the War De-

Great Results Achieved. "The following results have been

The death rate in our forces in the continued of the control of the end of December averaged 75 per control of have been the death rate of men of the same age at home. In 1898 the death rate per 1,000 was 20.14, or nearly three times as great.

"For the fiscal year 1915 Congress appropriated for the War Department \$155.000,000; for the fiscal year 1917, \$203.000.000; for the fiscal year 1917, \$215.27,335.716. In other words, taking 1915 as a normal year, the appropriations of great.

"Some Staggering Gains.

"The regular appropriations made by Congress for all Governmental pur-

"The regular appropriations made by congress for all Governmental purposes for the first was no delay after last April," "Do you think a policy of that kind is wise?"

"It has turned out to be unwise." said Secretary Baker. "But you can't get anybody to buy things wisely unless you he machine gun controversy that existed then he became Secretary.

"The regular appropriations made by Congress for all Governmental purposes for the fiscal year 1915 were \$720-900.000, or nearly one-tenth the 1918 appropriation is for the War Department of the Governments of the trained and are ready for active service.

"3. Advise on questions of price.

"5.—Independent lines of communication and supply and vast storage and "4. Secure industrial and labor continuous and supply and vast storage and "4. Secure industrial and labor continuous, however, armore, however, however, armore, however, however,

"How much did the blunder or whatever you may call it cost the Government?" asked Senator Chamberlain.
"Nothing," Mr. Baker replied.
Questioned about secrecy attending the awarding of army contracts. Secretary Baker declared he issued an order that they be not made public and that he considered a wise policy.
"Don't you know the American people abhor secrecy?" asked Senator Mc-Kellar.
"I think," said Mr. Baker, "that the location of plants should not be made public as a military policy.
"Dol't you know the American people abhor secrecy?" asked Senator Mc-Kellar.
"I think," said Mr. Baker, "that the location of plants should not be made public as a military policy.
"Dol't you know the American people abhor secrecy?" asked Senator Mc-Kellar.
"Order of the total operating revenues of all the railroads of the United States for the year 1917—freight, passenger, mail.

"I think," said Mr. Baker, "that the location of plants should not be made public as a military policy.

"I think," said Mr. Baker, "that the location of plants should not be made public as a military policy.

"Order of the War Department alone are substantially one-third of this sum.

"The total operating revenues of all the facilities are in process of construction in France.

"Thou are the total operating revenues of all the total operating revenues of all the total operating revenues of all the total operations of the United States for the United States for the United States for the total operations of the United States for the total operations of all the railroad operations of all the facilities are in process of construction in France.

"Thou are total opera

Two Purposes in Mind.

"I state the foregoing conditions of the War Department's problem and some

Sport Marine

The first completely equipped motor car ever produced as a

> SECOND FLOOR Cond Central Palace

cover instruments so modern that our of the results attained for two purindustries had to be adapted to their poses.

"In the first place, the American people are entitled to know of the splendid contracts involve increase of plant facili
"To these objects it was admirably effectiveness with which they have been objects."

American democracy has neither blun-dered nor hesitated, but has actually brought the full power of its men and

resources into completely organized strength against their military machine. "I make this statement, fully aware that there have been produced before the members of this committee some expression of doubt, difference of opinion and disapproval. The War Department has small eight months hearing small. has spent eight months hearing similar expressions analyzing them, correcting the conditions out of which the grew, perfecting its organization to prevent their recurrence and all the while driving on to the accomplishment of the main task.

Suggestions Are Invited.

"My military associates and I appre-ate the work which this committee has done and will value suggestions from the committee as a whole, from its in-dividual members and from every other patriotic citizen which will enable us to carry on this work more effectively and

rapidly. two exceedingly skinificant figures, namely, that on the first day of April ordnance department consisted of officers and the Quartermaster-General's department of 247 officers, while they now respectively comprise 3,004 and 6,431 officers.
"There was no ready trained body

of men of the country who could have been selected suddenly to assume the lighly technical and specialized work of hese two divisions. "Men of somewhat similar training had to be chosen and the nucleus of

sociates. As the work proceeded sub-division and resubdivision became pos-

"The Quartermaster-treneral ment in the supply section alone made 4.650 contracts, covering 142 different kinds of articles and aggregating a money value of \$800,000.000.

"On December 15 the questions of initial supply and organization of personnel had been substantially disposed of, and I was therefore in a position, as not been previously, to announce I had not been previously, to announce a general reorganization, siready care-fully studied, which accomplishes the

following results:

"I—Created a War Council upon
which Gen. Crozter, Gen. Sharpe, Gen.
Weaver, Gen. Crowder and the Chief
of Staff have been designated to sit with the Secretary of War and the Assistant Secretary of War, and to which council men of capacity, either from the army or from civil life, will be added from time to time. The purbe added from time to time. The pur-pose of the council is that its members, being free from the burdens of detail administration, can take a large supervisory view of all quesorganization and supply and give to the Government the highest value of their talents and experience.

"2. Under Gen, Wheeler, with the advice of his military associates and of industrial experts, the machinery of he Ordnance Department is being thoroughly reorganized in preparation for the new phase of its work upor which it is now entering Its several operations will be conducted under the direction either of officers already in the service who are now in a positio o give their entire energies to their administration or of men specially chosen from the civil life because of

heir experience and capacity. 3. The Quartermaster-General's Department is in process of similar roornization and sub-divisioning under Gen. Goethals, who enjoys the unique experience of having worked out at the Panama Canal problems of transportation and supply of a magnitude never until now approached in the his-tory of our Government. Here also efficiency of the department is being strengthened by tivit life of men of the highest capac inistrate certain of its great

subdivisions.

of course, an advisory body without executive power. Its members have severally the powers of their respective departments. The purpose of the council,
however, was a reconciliation of con-

and the allied Governments in their de- United States Armory here for the last

\$1,000 Reward

To the German Masses

That we are fighting for the German masses, not against them

And is forcing thousands of them to be killed daily

The United States does not want German land.

And we will fight until we get

Judges of best suggestions will be

That Autocracy that is trying to rule the world by force.

The United States is fighting for the Liberty of the masses

Send suggestions before Feb. 15th to: JUDGES OF REWARD

NATIONAL SECURITY LEAGUE

Hon. James W. Gerard Hen. Job E. Hedger Hon. David Jayne Hill

We are fighting the Prussian Military Autocracy

So that Germany can make vassal states

Which, as shown at Zabern, enslaves the German

Civilian Masses

Of the rest of the European Nations.

19 West 44th Street, New York City

"Freedom for all forever."

The Autocracy that is preventing peace.

For our Liberty-for the Liberty of the World

As to how to get

The initial rush needs are substantially supplied. The technical corps have been expanded and reorganized upon indus-trial and efficient lines. The coordination of Ally needs with our own has been effected. An agency exists to prevent conflicts and to adjust those which can-

not be prevented.
"By the cooper "By the cooperation of all interests and all people in the country the nation is now organized and set to its task with unanimity of spirit and confidence in its powers. More has been done than any-body dared to believe possible. That there have been here and there errors of there have been here and there errors of judgment and delays goes without saying, but I should be wanting in frankness were I to omit my own estimate of the real unselfishness and intelligence with which my associates, military and civilian, have applied themselves to this undertaking, and the results demonstrate the success of their efforts."

BUNZ AND HIS AIDS LOSE THEIR APPEAL

Hamburg-American Line Men Who Supplied German Raiders Face Prison.

The recent conviction of Carl Bunz, managing director: George Kotter, superintending engineer; Adolph Hochmeister, purchasing agent, and Joseph officers already in those corps had not only to carry forward the expanding only to carry forward the expanding Popenhouse, second once; of their departments but be burg-American Steamship Line, on trainers and teachers to their new as charges of conspiring to defraud the United States Government was upheld vesterday in a decision handed down by the United States Circuit Court of Appeals. All had been found guilty of engaging in a conspiracy to defraud by filing at the Custom House false manifests of vessels carrying supplies to German cruisers in the North and South At-

date in this decision is handed down and until then no action can be taken. It is possible the three defendants will The case was originally prepared and prosecuted by John C. Knox. Assistant

United States Attorney, and the decision handed down by Federal Judge Rogers was concurred in by Judges Hough and Learned M. Hand.

Learned M. Hand.

The false man fests were used to conceal the destinations of the outgoing bandels as to what steps the United
vessels, chartered by the Hamburgstates should immediatly take in miltransport the which had an agreeitary and naval preparation. He simply
before them the facts pointing vessels, chartered by the Hamburg-American Line, which had an agreement with the German Government in the winter of 1914 to supply German

warships in the North and South Atlantic with coal and provisions The Kaiser's orders were transmitted ferred with the other defendants as to procuring vessels flying neutral flags. addition to chartering neutral vessels Bunz was charged with despatching amined by the Senate Committee on three Hamburg-American vessels on Military Affairs. The Sun's informant these missions. Among the neutral craft states concisely: chartered, it was said, the Berwind, Lorenz and Gladstone figured promi-In his opinion Judge Rogers held the undertaking to supply German raiders was not wrong; the wrong lay in the false certificates filed.

five years, received orders to-day retry.

"2. Advise as to supplies of materials and labor.

"3. Advise on questions of price.

"4. Secure industrial and labor coline in to report at the ordnance office at Washington, No indication was given of his ultimate post. Major G. H.

Stewart, juntor in command at the armory, has been named as acting com-

These Facts:

For the best suggestion

A Sensible Cigarette GERARD'S WARNINGS OF WAR NOT HEEDED

Kept Washington Fully Informed of Germany's Intention to Seek "Revenge."

James W. Gerard as Ambassador to peror in which the Emperor said:
Germany warned the United States have nothing against Mr. Gerard in the Covernment not once but fifty times sonally, but I will not see the Ambassador to peror in which the Emperor said:
have nothing against Mr. Gerard in the Covernment of the Covernme through 1915 and 1916 that the ruling and ammunition to the enemies classes of the German Empire were many." bent on war against the United States American army officers in German, were and that the Emperor and Junkers were strongly supported in this intent by the general hatred felt for America and self. Americans by all classes of the German

people. Ambassador Gerard's cablegrams and written reports give the Government simple time—at least a year—to prepare and ammurition to the enemies of a in tic.

Bunz, Kotter and Hochmeister were each sentenced to eighteen months in the Atlanta penitentiary. Fopenhouse was given a year and a day in the same institution. All appealed and were released in \$5.000 ball, but soon thereafter Hochmeister with the submarine plans and that the United in \$5.000 ball, but soon thereafter Hochmeister with some for resumed unrestricted submarine was heart; that we will never forget it a deded: "We care nothing for treaties was no stopping the militarists in their submarine plans and that the United in \$5.000 ball, but soon thereafter Hochmeister was no stopping the militarists in their submarine plans and that the United in \$5.000 ball, but soon thereafter Hochmeister were submarine was no stopping the militarists in their was no stopping to make the submarine plans and that the United in \$5.000 ball, but soon thereafter Hochmeister were each sentenced to eighteen months in the fare. On May 19, 1916, Mr. Gerard institution. All appealed and were released was no stopping the militarists in their was no stopping the militarists in their was no stopping to make the submarine was no stopping the militarists in their was not stopping the militarists in their was not stopping the militarists in their was not stoppin me ster died. The Hamburg-American innestricted submarine warfare in Feb-Line also was found guilty of the of-fence and was compelled to pay a fine was unqualified and positive. It an-"I was so fearful." Mr. Gerard the pated by more than eight months the Ten days will clapse before the man-G rman edict. But this was merely one specific warn-

appeal on a writ of certiforari, in which to the Senate Committee on Military event the case will go to the United States Supreme Court.

The case was appeal on a writ of certiforari, in which to the Senate Committee on Military event the case will go to the United States Supreme Court.

The case was a was a well as a well as a way of the Secretary Lansing and the bassador tried his best to awaken the Government to a sense of the peril from Germany. It was not his business to instruct President Wilson, Secretary I before them the facts pointing arely to Germany's intention to take senge" on the United States.

Proof Available.

These facts came to THE SUN last night from an unimpeachable source. They are susceptible of proof if the

"An examination of Mr. Gerard's merous warnings that trouble was coming with Germany should convince even raiders was not wrong; the wrong lay in the false certificates filed.

PERSHING REPORTS 4 DEATHS.

Senator Kirby of Arkansas that Mr. terrard had not got 'peculiar notions in his head,' but that his express warnings were derived from interviews with the Emberor, with Zimmerman, with a Grand Duke of Mecklenburg-Schwerin at I with other efficials and potentiates. Senator Kirby of Arkansas that Me Two Due to Pneumonia, One to Meningitia, one to Asphyxiation.

Washington, Jan. 10.—Gen. Pershing to-day reported the following deaths of private soldiers from natural causes:

Thomas Scott, asphyxiation, Portland, diplomatic representative could do in the partments. The purpose of the council, however, was a reconciliation of conflicts and a survey of the national needs and resources.

Waiter L. Fitzgerald, meningitis, York, Pa.

Jesse F. Bonham, pneumonia and messles, Newark Ohio,
Berving The General Munitions Board and its successor, the War Industries Board with their committees, were organized by the council for the following purposes:

"I Assign priorities as among the Spinnergin, Mass., Jan. 10—Col.

Waiter L. Fitzgerald, meningitis, York, Pa.

Jesse F. Bonham, pneumonia and messles, Newark Ohio,
Barlan F. Parker, pneumonia, Cression, Inc. 10—Army of Mass. Spinnergin, Mass., Jan. 10—Col.

Washing the Congress Way of arousing the United States Government scorned Mr. Grand's advice. The event demonstrated that the Government scorned Mr. Grand's advice. The event demonstrated that have anything the driving the distribution of the Lafa. The following purposes:

"I Assign priorities as among the Washington, Jan. 10—Col.

Washington, Jan. 10—Army of Mass. Jan. 10—Col.

Washington, Jan. 10—Army of Mass. Wash the Government scorned Mr. Grand's advice. The event demonstrated that the Government scorned Mr. Grand's advice. The event demonstrated that the Government scorned Mr. Grand's advice. The event demonstrated that the Government scorned Mr. Grand's advice. The event demonstrated that the Government scorned Mr. Grand's advice. The event demonstrated that the Government scorned Mr. Grand's advice. The event demonstrated that the Government scorned Mr. Grand's advice. The event demonstrated that the Government scorned Mr. Grand's advice. The event demonstrated to the date of the down that the Government scorned Mr. Grand's advice. The event demonstrated that the Government was that the Government scorned Mr. Grand's advice. The event demonstrated that the Government was that omatic representative could do in the

out comment THE SUN'S report of the dialogue between Senator New of In-diana and Secretary Baker.

Gerard's Lips Scaled.

Your first package will show you the common

sense of choosing

Fatima - a balanced

Turkish blend that never

-the price 15¢

disturbs or irritates.

"It would not be ethical for m make any statement." he said. "If one is interested in tracing this subjection of the subjection of

the imminency of war with seemen Major Langhorne, recalled in March 1915, had an interview with the Em dor of a country which furnishes "subjected to deliberate insults a

In January, 1917, one of the Grand Dukes of Mecklenburg-Schwerin said to Mr. Gerard: "You are the American An bassador, and I want to tell you that the conduct of America in furnishing arms many is stamped deep on the Germanheart; that we will never forget it and On October 22, 1915, the Emperor all threateningly to Mr. Gerard:
"America had better look out after

"In reporting the dangerous part of interview, on account of the many a t this was merely one specific warn-There are to-day in the files of the the State Department, that I see

Mr. Gerard's last warning was een early in January, 1917:
"Within a few days I was capling to the Department Information of resumaruthlessness, based not upon abrolute facts, but upon reports which seems facts, but upon reports which seemed reliable and which had been collected through the able efforts of our sen

It was suggested last night that the Senate Committee on Military Affactould set the absolute facts as to the warnings supplied by Mr. Gerard in calling Mr. Gerard himself before it

Composer's Family. Mannin, Jan. 10 -The German ernment has offered to pay to the fully of Enrique Granados, the South omposer 666,000 pesetas (approximate ly \$132,200 under normal exchange | 19

Enrique Granados and his wife were Channel steamer Sussex in March

Transportation

Economical transportation, both

that the automobile will help to meet the requirements for increased facilities. The automobile stands ready to

And it is reasonable to suppose

of all humanity. The time is not far distant when we will wonder how we were

FACTORIES Film Mich Tarrytown-on-Hudson New York City, St. Louis, Mo. Oakland Cal., Oshawa, Can., Tolesto, U. Hay City, Mich., First World, Texas DISTRIBUTING BRANCHES

FATIMA

kensen particularly distinguishing him

capable navai attache, Command Gherardi."

\$133.200 GRANADOS INDEMNITY

MARCHINE DE LEGISTER DE LEGISTER DE LEGISTER DE L'ARTER DE L'ARTER

for passengers and commercial use, will be a chief consideration in this country for years to come.

serve the people of the world and the future will show the motor car to be a faithful servant

able to make any progress whatever without the motor car.

CHEVROLET MOTOR COMPANY

Atjanta, Ga., Kansas City, Mo., Minneapolis, Minn